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FISCAL IMPACT REPORT

ORIGINAL DATE 2/8/07

SPONSOR Garcia, M.H. LAST UPDATED 2/12/07 HB 486

SHORT TITLE Border Region Economic Development SB _____

ANALYST Earnest

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$100.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Border Authority
Economic Development Department (EDD)

SUMMARY

Synopsis of Bill

House Bill 486 appropriates \$100 thousand from the general fund to the Economic Development Department for operational support and project development for technology-based economic development in the US-Mexico border region, including business incubation, business acceleration, applied research and business financing.

FISCAL IMPLICATIONS

The appropriation of \$100 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscally year 2008 shall revert to the general fund.

SIGNIFICANT ISSUES

This bill is intended to support the Bi-National Sustainability Laboratory, non-profit organization that creates and promotes technology-based businesses on the U.S.-Mexico border. The lab opened in November 2005, and received a \$100 thousand allocation from EDD in FY06.

According to EDD, New Mexico's technological corridor could be used for research and development by manufacturing and information technology industries on both sides of the border. Many border industries have their research and development divisions on the US East Coast or in the US Mid-West. This bill presents an opportunity for New Mexico to market the technology developed by its national laboratories and universities to the largest manufacturing hub in the Western Hemisphere in the El Paso-Juarez region.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

According to the Border Authority, there are no private sources with the expertise and contacts that can perform these essential efforts. Failure to enact this bill would severely restrict the exploitation of opportunities identified by the Border Authority and others. Exploitation of the opportunities is tasked to the entities being funded under this appropriation.

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